

Media Release



Government of South Australia

Office of Consumer and
Business Affairs

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Fines for not lodging rental bonds on time

The Office of Consumer and Business Affairs (OCBA) is reminding real estate agents and landlords to lodge rental bonds on time, as the Office steps up compliance for residential tenancies.

Agents are required to lodge rental bonds with OCBA within 30 days. Landlords have 7 days. Landlords who are late with lodgements are sent a warning letter in the first instance, and repeat offenders receive expiation notices. Agents receive expiation notices in the first instance.

Last financial year OCBA staff investigated 365 alleged breaches, resulting in 284 written warnings and one assurance. In 2005 alone, OCBA issued 24 expiation notices, each one for a \$160 penalty.

Commissioner for Consumer Affairs, Mark Bodycoat said, "Agents and landlords are diligent in collecting bond monies from tenants, but some aren't quite so diligent when it comes to lodging the monies with the OCBA."

OCBA staff have regularly found breaches after noticing discrepancies between the dates on the bond form lodged with OCBA and the bond receipts issued to tenants. Sometimes a breach is uncovered during a hearing in the Residential Tenancies Tribunal.

The rules about lodging bonds under the Residential Tenancies Act 1995 are quite straightforward:

- Any person who receives a bond must provide a receipt within 48 hours. The receipt must specify the date, person's name, amount paid, and the address of the premises for which it is paid.
- The monies must then be lodged with OCBA, with the appropriate form within the prescribed time.
- If the bond is in the form of a Security Bond Guarantee provided by the South Australian Housing Trust, it must be signed by all parties, and must still be lodged within the prescribed time.

"Lodging the bond with OCBA provides security for everyone. Landlords and agents need to remember that the money is not theirs and there are strict rules to protect it. They must lodge rental bonds on time, or they will receive an expiation notice. In some cases they will end up in court" said Mr Bodycoat.

OCBA is pursuing court action against one landlord who allegedly failed to lodge rental bonds on time as well as committing other breaches of the Residential Tenancies Act.

For further information about lodging a rental bond, contact OCBA's Tenancies Branch on 8204 9555 or visit www.ocba.sa.gov.au